

## Message Text

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ACTION AF-08

INFO OCT-01 ISO-00 FEA-01 ERDA-07 AID-05 CEA-01  
CIAE-00 COME-00 DODE-00 EB-08 FPC-01 H-02 INR-07  
INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-15  
OES-06 SP-02 SS-15 STR-04 TRSE-00 ACDA-10 PA-02  
PRS-01 EA-09 /123 W

-----221224Z 037855 /10

R 221002Z MAR 77

FM AMEMBASSY LAGOS

TO AMEMBASSY SINGAPORE

INFO SECSTATE WASHDC 013

UNCLAS LAGOS 3180

E.O. 11652 : NA

TAGS : ENRG, NI

SUBJ : REQUEST FOR INFORMATION ON BUSINESS OPPORTUNITIES IN  
NIGERIAN PETROLEUM INDUSTRY.

REF : SINGAPORE 1125

1. INVESTMENT IN EXPLORATION AND DEVELOPMENT IN NIGERIA HAS  
DWINDED SUPPLY  
PAST YEAR AND A HALF DUE SHRINKING PROFIT  
MARGINS AND CONSEQUENT POOR RETURN ON INVESTMENT. THUS  
OPPORTUNITIES FOR SALES OF EQUIPMENT AND SERVICES IN THESE  
ASPECTS OF OIL INDUSTRY NOT PARTICULARLY BRIGHT AT MOMENT.  
COMPANIES WHOSE SALES ORIENTED TOWARD PRODUCTION MAINTENANCE  
ARE FARING BETTER. SOME OIL FIELD CONSTRUCTION AND DRILLING  
FIRMS RE-FOCUSING EFFORTS IN DIFFERENT BUT RELATED FIELDS  
LIKE WATER RESOURCES DEVELOPMENT. GOVERNMENT OF NIGERIA  
EXPECTED TO ANNOUNCE NEW INCENTIVES TO STIMULATE OIL INDUSTRY  
INVESTMENT IN APRIL..IF SUFFICIENTLY ATTRACTIVE, THESE COULD  
REVIVE BUSINESS IN EXPLORATION AND DEVELOPMENT AREAS. HOWEVER,  
WHILE IT APPEARS THAT NEW CONCESSION ACREAGE AND ACCELERATED  
DEPRECIATION WILL BE INCLUDED, THERE NO ASSURANCE THAT IMPROVED  
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PROFIT MARGINS WILL BE PART OF PROGRAM. NEVERTHELESS, GIVEN  
STRONG DEMAND  
FOR LIGHT, LOW SULFUR, GASOLINE RICP NIGERIAN  
CRUDE, ODDS ARE THAT ACTIVITY IN EXPLORATION AND DEVELOPMENT  
WILL PICK UP TO SOME EXTENT LATER IN YEAR.

2. KEY OFFICIALS IN MINISTRY OF PETROLEUM RESOURCES ARE:

COLONEL MUHAMMED BUHARI, COMMISSIONER; SUNDAY B. AWONIYI, PERMENT SECRETARY; FESTUS R.A. MARINHO, DIRDCTOR OF PETROLEUM RESOURCES; O. OLOMARI, DEPTY DIRECTOR (AND ALSO CHAIRMAN NIGERIAN PETROLEUM REFINING CORPORATION); O.A. OKANLA, ASSISTANT DIRECTOR, ECONOMICS AND OPEC AFFAIRS; S.M. AKPE, ASSISTANT DIRECTOR, PROJECTS (LNG,PIPELINES, TANKERS, STORAGE DEPOTS); J.B. OWOKALU, ASSISTANT DIRECTOR, CONSERVATION AND RESERVOIR ENGINEERING; B.O. ALEWOYA, HEAD, FIELD OPERATIONS; J.J. AKPIEYI, HEAD, MARKETING; S.A. KUFEMI, PROJECT MANAGER, SECOND AND THIRD REFINERY PROJECTS.

3. INQUIRIES RE PURCHASE OF CRUDE OIL SHOULD BE DIRECTED TO MR. O. FAWIBE, ACTING MARKETING MANAGER, NIGERIAN NATIONAL OIL CORPORATION, 42/44 WAREHOUSE ROAD APAPA, PRIVATE MAIL BAG 12650, LAGOS. NNOC AT MOMENT HAS NO CHAIRMAN. DR. B. OSUNO IS ACTING MANAGER FOR EXPLORATION AND PRODUCTION AND CHAIRMAN OF MANAGEMENT COMMITTEE.

4. INQUIRIES RE PURCHASE OF RESIDUAL FUEL OIL (NIGERIA XPORTS SOME HIGH YOUR LOW SULFUR RESIDUAL FROM PORT HARCOURT REFINERY) SHOULD CONTACT EITHER MR. J.J. AKPIEYI IN MINISTRY; OR UNIPETROL (FORMERLY ESSO), FOURTH FLOOR WESTERN HOUSE, 8/10 BROAD STREET, P.O. BOX 176, LAGOS; OR NATIONAL OIL AND CHEMICAL MARKETING COMPANY LIMITED (FORMERLY SHELL; 38/39 MARINA, P.M. B. 2052, LAGOS. CROSBY

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Errors:** N/A  
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**Original Previous Classification:** n/a  
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**Reference:** 77 SINGAPORE 1125  
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**Review Release Event:** n/a  
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**Status:** NATIVE  
**Subject:** REQUEST FOR INFORMATION ON BUSINESS OPPORTUNITIES IN NIGERIAN PETROLEUM INDUSTRY.  
**TAGS:** ENRG, BEXP, BFOL, NI  
**To:** SINGAPORE  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009